

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of	)	CA 02-33
	)	
ECM, INC., ENGINEERING	)	
ENTERPRISES, INC. and Hilton	)	
Unemori,	)	
	)	
Respondents.	)	
_____	)	

CONCILIATION AGREEMENT

On or around October 2002, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondents ECM, Inc. ("ECM"), Engineering Enterprises, Inc. (Engineering") and Hilton Unemori. Business Registration Division records list ECM as doing business in engineering and Engineering doing business in engineering, project management, construction management, investment and related, with Hilton Unemori as President of both ECM and Engineering. Business address for ECM is 130 No Market Street, Wailuku, Hawaii. Engineering Enterprises, which was involuntarily dissolved on November 28, 2000, listed a business address of P.O. Box 1124, Wailuku, Hawaii. The investigation was initiated pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, ECM, Engineering, Hilton Unemori and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondents and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondents pursuant to section 11-216(g), HRS.
- III. That Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondents waive the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondents enter into this Agreement with the Commission on their own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
  1. On or around October 2002, Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, and upon information received through the disclosure statements of the Harris campaign committee ("Harris"), initiated an investigation involving excess contributions in violation of section 11-204(a)(1)(C), HRS.
  2. Section 11-204(a)(1)(C), HRS, reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year nonstatewide office or to the

candidate's committee in an aggregate amount greater than \$4,000 during an election period.

3. Section 11-204(h), HRS reads in part as follows: an individual and any corporation in which the individual owns a controlling interest, shall be treated as one person.
4. Section 11-202, HRS reads in part as follows: No person shall make a contribution of the person's own money or property, or money or property of another person to any candidate, party, or committee in connection with a nomination for election, or election, in any name other than the true name of the person who owns the money or who supplied the money or property.
5. The election period for Jeremy Harris and the Harris 2000 campaign committee for Mayor of Honolulu include the period from November 6, 1996 to November 7, 2000.
6. On or about November 24, 1997, Engineering made a contribution to Harris in the amount of \$2,000.
7. On or about November 24, 1997, ECM made a contribution to Harris in the amount of \$4,000.
8. That Harris failed to report the \$4,000 contribution by ECM.
9. That aggregate contributions by ECM and Engineering totaled \$6,000 to the Harris campaign committee for the 2000 election period.

10. Hilton Unemori acknowledges that a contribution of \$2,000 by Engineering and a contribution of \$4,000 by ECM to the Harris campaign committee shall be considered one contribution for an excess contribution of \$2,000 for the 2000 election period, in violation of section 11-204(a)(1)(C), HRS.
11. That ECM had no knowledge that the Harris campaign failed to report the \$4,000 contribution.
12. That ECM failed to file an organizational report pursuant to section 11-194, HRS.
13. That ECM failed to file disclosure reports pursuant to sections 11-212 and 11-213, HRS.

VII. Settlement Terms

As final settlement of the matter and issues in Conciliation Agreement #02-33, ECM understands and agrees to the following:

- (A) ECM agrees to an assessment of **Five Hundred Dollars (\$500)** pursuant to section 11-228, HRS.
  - (1) For violation of section 11-204(a)(1)(C), HRS, making an excess campaign contribution to the Harris campaign committee for the 1996 - 2000 election period;
  - (2) For violation of sections 11-194, 11-212 and 11-213, HRS, failure to file an organizational report and required disclosure reports.

(B) ECM agrees to comply with campaign finance statutes on contribution and expenditures to candidate committees.

(C) Terms of payment of the assessment shall be by Order of the Commission.

VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.

X. This Agreement constitutes the entire agreement between the Commission and ECM on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.

XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

**FOR THE COMMISSION:**

Robert Y. Watada, Executive Director

By: \_\_\_\_\_

Date: \_\_\_\_\_

**FOR THE RESPONDENTS:**

Hilton Unemori

By: \_\_\_\_\_

Date: \_\_\_\_\_

(Name)

(Title)